

**MINUTES OF MEETING OF
HEALTH STRATEGIES COUNCIL**
Department of Community Health, Division of Health Planning
2 Peachtree Street, DHR Board Room, 29th Floor, Atlanta, GA 30303
Friday, February 28, 2005

■
11:00 am – 1:00 pm
Daniel W. Rahn, M.D., Chair, Presiding

MEMBERS PRESENT

William G. "Buck" Baker Jr., M.D
Honorable Glenda M. Battle, RN, BSN (via conference call)
Harve R. Bauguess
David Bedell, DVM
Edward J. Bonn, CHE
Elizabeth Brock
Tary Brown
W. Clay Campbell (via conference call)
Nelson B. Conger, MD
Charlene M. Hanson, Ed.D., FNP
Reverend Ike E. Mack
Julia L. Mikell, MD
Raymer Martin Sale, Jr.
Toby D. Sidman
Catherine Slade
Tracy M. Strickland
Kurt M. Stuenkel, FACHE
Katherine L. Wetherbee
David M. Williams, MD

GUESTS PRESENT

Judy Adams, Georgia Assoc. for Home Health Agencies
Keith Alexander, Alexander Consulting Group
Jennifer Bach, Metretek Healthcare
Charlotte W. Bedell, Tift County Commissioner
Taffey Bisbee, Metretek Healthcare
Joy Davis, Rockdale Medical Center
Davis Dunbar, Piedmont Medical Center
David Fenstermacher, Parker Hudson
Nelda Greene, Georgia Dental Association
David Henderson, University Hospital
Adrienne Marting, Powell Goldstein
Mark Mullin, Gwinnett Health System
Marvin Noles, Medical Center of Central Georgia
Kathy Platt, Sullivan Consulting Group
Kevin Rowley, St. Francis Hospital
Linda Simmons, The Surgery Center, Columbus
Leah Fressell Watkins, Powell Goldstein
Representative, (illegible signature) Wellstar Kennestone

MEMBERS ABSENT

Katie B. Foster
Felix Maher, DMD
James G. Peak
Oscar S. Spivey, MD

STAFF PRESENT

Charemon Grant, JD
Richard Greene, JD
Brigitte Maddox
Robert Rozier, JD
Geeta Singh
Rhathelia Stroud, JD
Stephanie Taylor

WELCOME AND CALL TO ORDER

Dr. Rahn welcomed Council members and guests and called the meeting to order at 11:10 am. He welcomed Clay Campbell and Honorable Glenda Battle who participated in the meeting via conference call.

Dr. Rahn asked for a motion to approve the minutes of the November 19, 2004 meeting. Dr. Baker asked that the minutes be corrected to reflect the correct website address of the Atlanta Regional Health Forum (page 2), which is (www.arhf.net). Following this correction, a motion to approve the minutes was made by Dr. Bedell, seconded by Raymer Sale. Dr. Rahn then called on the Chairs of each of the Council's Standing Committees to approve the minutes of their recent meetings including:

- *Long Term Care Standing Committee, W. Clay Campbell, Chair-* Mr. Campbell asked for a motion to approve the minutes of the LTC Standing Committee meeting which was held on January 7, 2004. A motion to accept and approve the minutes was made by Charlene Hanson, seconded by Raymer Sale, Jr. All members in attendance unanimously approved the motion.
- *Special & Other Services Standing Committee, David Williams, MD, Chair-* Dr. Williams called for a motion to approve the minutes of the Special & Other Services Standing Committee meeting which was held on Friday, January 14, 2004. A motion to accept and approve the minutes was made by Toby Sidman, seconded by David Bedell. All members in attendance unanimously approved the motion.
- *Acute Care Services Standing Committee, Kurt Stuenkel, Chair-* Mr. Stuenkel called for a motion to accept and approve the minutes of the Acute Care Services Standing Committee meeting which was held on Friday, January 28, 2004. A motion to accept and approve the minutes was made by Ed Bonn, seconded by Glenda Battle. All members in attendance unanimously approved the motion.

Following approval of the minutes by the members of each Standing Committee, Dr. Rahn presented all three sets of minutes to the Council for approval. He asked for a motion by the Council to approve each set of minutes, as presented by each respective Standing committee. A motion to approve the minutes of the Long Term Care, Special & Other Services and Acute Care Standing Committees was made by Elizabeth Brock, seconded by Clay Campbell. The Council unanimously approved the motion.

Mr. Greene asked that the Chair of each Standing Committee provide a brief summary of the recommendations of his Standing Committee.

Long Term Care Standing Committee (LTC Standing Committee) – Mr. Campbell said that the LTC Standing Committee invited speakers from segments of the long term care industry and whose services are regulated by the CON program, to provide a “state of the industry” update and to provide feedback regarding the Department’s current long term care rules. He said that while

most speakers indicated that the CON rules were adequate, the speaker who represented the home health care industry indicated that the indigent and charity care commitment that is required for home health providers places an undue burden on these providers. He said that the LTC Standing Committee did not specifically address this concern since an Indigent & Charity Care Ad Hoc Committee has been convened. The Department and the LTC Standing Committee would await any recommendations from the Ad Hoc Committee. He also indicated that the LTC Standing Committee reaffirmed the need to establish a Long Term Acute Care TAC.

Special & Other Services Standing Committee – Dr. Williams indicated that this committee is charged with addressing issues relating to Positron Emission Tomography (PET), Radiation Therapy Services and Ambulatory Surgical Services. They recommended that no changes be made to the Plan and Rules for Radiation Therapy Services. He said that the PET TAC had indicated the need to review the Plan and Rules within two years. The Standing Committee agreed that it is appropriate to start that review. He also indicated that the Standing Committee agreed that given the technological advancements in the field that there is a need to establish a technical advisory committee to review the need for CON rules for such services as gamma knives and other similar treatment modalities. Dr. Williams said that the Ambulatory Surgical Services TAC is on hold at this time.

Acute Care Services Standing Committee – Kurt Stuenkel indicated that the Acute Care Standing Committee reviewed the Plan and Rules for General Short Stay Hospital Services and Perinatal Health Services. They made no recommendations for changes to these Rules. He said that members again recommended that the State Health Plan and Rules for Psychiatric & Substance Abuse Inpatient Services be updated, given their age. Regarding the Specialized Cardiovascular Services Plan and Rules, he noted that the Department is currently reviewing the possibility of allowing selected hospital to participate in the CPORT study. He further reported that the Department requested the Standing committee's advice regarding the need to convene a small workgroup of clinicians specifically, cardiac specialists, to provide guidance surrounding the definition of the words "child" and "adult". Members of the Acute Care Services Standing Committee agreed, that the Plan and Rules were otherwise adequate for Specialized Cardiovascular Services.

Dr. Rahn thanked committee chairs for their presentations. He then asked members to review copies of the CY 2004 Member Attendance form which was mailed and is also included in member packets. Mr. Bonn asked that Department staff confirm his absence from the February 2004 meeting. He concurred that he missed the May 2004 meeting. Staff has agreed to investigate the attendance records to verify Mr. Bonn's presence/absence at the meeting. The Council voted to approve the CY2004 meeting attendance, as submitted, pending an investigation of Mr. Bonn's February attendance.

UPDATE ON GEORGIA'S MEDICAID MANAGED CARE

Dr. Rahn indicated that at an earlier meeting Council members had asked for an update on Georgia's Medicaid Managed Care Initiative. He called on Kathy Driggers to provide an update regarding this process. Some highlights of Ms. Driggers presentation follows:

- Rate of rise in Medicaid program does not allow predictability of the budget
- Need to manage access to care and cost containment around the state.
- Work has been ongoing in this area for at least three years, starting under the administration of Governor Barnes
- Medicaid costs have continued to grow at 10-12% while state revenue has grown approximately 5-6%
- The Department needed to revamp the healthcare delivery system to Medicaid recipients
- Group consisting of representatives from DHR, DCH, as well as the Governor's staff was convened to examine this issue
- Released a Request for Information during February 2003 to gauge the expertise of others from within and outside of the state in this area
- State policymakers agreed upon the following goals:
 - Improve the healthcare status of our member population
 - Establish contractual accountability for access to and quality of healthcare
 - Lower cost through effective utilization management (the biggest cost driver)
 - Achieve Budget Predictability and Administrative Simplicity
- The state is moving toward a risk-based model of care. Will regionalize the state for purposes of procurement;
- Released a Request for Proposal (RFP) seeking a care management organization in each region of the state. Metro-Atlanta will have 3-5 regions because of the density of the population.
- The Dept. held a series of statewide stakeholder meetings to hear concerns, suggestions and ideas. Held 17 meetings, 40 hours and met with over 350 people, including physicians, hospital groups, GHA, small rural hospitals, DHR representatives, dental groups, and other patient advocacy groups.
- Heard a lot of fear—fear of change from providers. There were concerns that utilization needs to be better managed but there was also concern that there would be underutilization. The Department tried to incorporate many of the ideas into the model contract with the RFP. The Dept. had to strike a balance between meeting the needs of patients, providers and Dept. goals.
- RFP was released on January 5, 2005. On the procurement registry at www.procurement.state.ga.us there is a model contract. It appears as an Appendix to the RFP. Bids are due on April 4th.
- Since the RFP was released, the Department has held three (3) technical assistance sessions with prospective bidders. Also, the Department allowed prospective bidders to submit written questions. The Department received and responded to 986 written questions and will spend the months of April and May evaluating the bids.

- The Department hopes to select winners by the end of May. Contract negotiations are expected by the middle of June. Implementation, member outreach, and enrollment will follow. The first two regions (Atlanta and Central) are expected to go live on January 1, 2006; July 1, 2006 (North and East) regions; December 1, 06 the final two regions (Southwest and Southeast) will be launc

Ms. Driggers responded to several questions following her presentation, including the following:

Dr. Conger: Expressed concern about care management organization (CMO) for dentistry. He said that 12 of 17 companies that have bidded to become a CMO indicated that they would subcontract this service. This goes against the Dept.'s goal of administrative efficiency. This scenario would create several layers and the patients and providers would be at the bottom layer of this model. Also, dollars would be lost to the state.

Kathy Driggers: The Dept. spent many hours evaluating whether some services should be carved-out. Many of the groups that the Dept. met with wanted every service to be carve-out. The Department strongly supported the concept of accountability from one entity as well as holistic approach. Medicaid is a patchwork quilt of services, at present. We believe that we are putting the member back together when there is one accountable entity. There are a lot of requirements about provider access in the RFP. The Dept. examined the current service providers who have traditionally provided 80% of the care to Medicaid recipients. All CMOs were told that those providers have to be included in their networks. There is a reporting requirement back to the state which is hoped will serve both patients and providers.

Ed Bonn: There is concern about the letter of Intent (LOI) process. The letters indicate that the provider "shall" but the CMO "may". How legally binding are LOIs? The state should clarify that these documents are not binding.

Kathy Driggers: It is an open procurement and the Department cannot have any contact with any of the plans. Each provider can establish his own LOI. The Dept. requires that the CMO contract with traditional providers, Federally Qualified Health Centers, Rural Health Centers and Critical Access Hospitals in their regions. The CMO has to submit a LOI. The LOIs have to be translated into contracts prior to the program's "live date", as part of the readiness review process.

Dr. Williams: Is the Dept. accepting physician hospital organization (PHO) involvement?

Driggers: The Dept will accept contracts or LOI with established networks, PHO and IPAs however, the Dept. will require a statement from the provider group acknowledging that they are aware that they are participating in the plan. The Department wants to ensure that providers do not turn patients away because they were unaware of the group's participation.

Dr. Williams: Whose responsibility is it to secure the acknowledgement from the provider?

Kathy Driggers: Ultimately, the responsibility is that of the CMO.

Charlene Hanson: Does the Dept. feel that they will get enough quality bids to assure statewide coverage?

Kathy Driggers: Yes, we feel comfortable that there will be statewide coverage.

Cathy Slade: Have you been surprised by those who are bidding or are planning to bid?

Kathy Driggers: There has been a huge national interest in this process. We are one of the last states to embark on risk-based managed care as a solution for Medicaid issues. Thirty-seven (37) states have already passed risk-based managed care in some form. Some states have mandatory enrollment. At one time during the process, there were over 18 companies expressing an interest. Some of them are large companies; some small. Most of them are primarily in the business of Medicaid managed care.

Dr. Rahn: What percentage of utilization is in acute care arena that is addressable through CMO process? Are you confident that the RFP is written in such a way that preserves providers' ability to pull down federal dollars, through intergovernmental transfers, (ICC Trust Fund and UPL) as long as possible and as well as possible?

Kathy Driggers: Outpatient hospital services are one of the biggest areas that impact utilization, including ER utilization. It is a source of unreimbursed care for hospitals. Additionally, managing pharmacy costs is another critical component of utilization. The UPL reimbursement methodology, through the use of intergovernmental transfers, is on a short horizon. It will be gone after this year. The Department has recently received correspondence from CMS which confirms this. The Department has been exploring approved mechanisms to replace this transfer. Additionally, a portion of the inpatient Medicaid days will now be reimbursed through a premium to the health plan. The Department cannot claim UPL dollars on those days. The Department has been exploring a replacement methodology. This will be addressed through a quality assessment team on the CMO. There is a portion of the UPL that will not be replaced and was not meant to be replaced to the extent that inpatient utilization is pushed down to more effective utilization management. That portion of UPL dollars will go away and there is no way to replace that. The Department has been working diligently to seek approved ways (reimbursement methodologies) to pull down all of the federal dollars that is possible.

Dr. Williams: Does the Department intend to apply for the 1115 Waiver?

Kathy Driggers: No, however it's a possibility.

Dr. Rahn publicly thanked Ms. Driggers for her presentation to the Council noting that she provided a wealth of useful information.

DEPARTMENT & DIVISION REPORT

Dr. Rahn called on Richard Greene to provide a report of the Department and the Division's activities:

- **ATLANTIC CPORT RESEARCH PROJECT UPDATE-** Mr. Greene indicated that the Council approved the Department's participation in this project. The Council's recommendation, along with a draft rules for insertion into the Specialized Cardiovascular Services Rules, were forwarded to the DCH Board. The Board issued the draft rules for public comments. A public hearing is scheduled for March 22nd. The earliest time that the DCH Board could consider the proposed rules for adoption or rejection would be at the Board's April meeting. Members were encouraged to review the draft application form and to provide any input to the Department.

In a summary statement to the Council, Dr. Rahn said that the Council is asking the DCH Board to approve a new rule to permit participation in a randomized, control, clinical trial. Approval to provide coronary angioplasty services, in elective and emergent circumstances, would be in the context of the trial only. Those centers that receive permission to participate in the study would only be allowed to provide these services to individuals who enroll in the trial. Providers will not have permission to offer these services to other individuals outside of the study protocol. When patient accrual is completed on a national level, approval to provide these services by providers in the study will end. He said that participation in this study protocol would require a significant addition of resources to hospital/health system staff. He emphasized that the ability to perform these coronary services will end at the time that recruitment of patients is completed.

Mr. Greene further indicated that if the study has difficulty meeting its numerical thresholds, the study would stop. He said that The State of Georgia has written in a safeguard in its Proposed Rules to indicate that the study would not proceed longer than a three (3-year) period. He said that there have been no rule changes in the state's Specialized Cardiovascular Services Rules outside of the CPORT study protocol. All other standards and requirements remain the same for providers seeking to perform these services outside of the study protocol.

- **HOUSE BILL 390-STATE COMMISSION ON THE EFFICACY OF THE CERTIFICATE OF NEED PROGRAM.** Mr. Greene indicated that the Commission will be responsible for conducting a review of the CON program, including reviewing the effectiveness of the CON program, the impact on health care, and the cost of continuing or discontinuing this program. Further, the Commission would determine if changes to the program are needed to achieve state policy objectives. The Commission is composed of eleven (11) members. The Chairpersons of the DCH Board and the Health Strategies Council will be ex-officio members. The Governor will select the Chair. The Commission is expected to issue a final report to the Governor and the General Assembly on June 30, 2007. The Department takes no position on this bill.

- **HOUSE BILL 206-ASSISTED LIVING FACILITIES; LEVELS I AND II -** Mr. Greene indicated that among other considerations, this legislation provides for licensing of different levels of assisted living facilities and changing statutory references to "personal care homes" so that they refer to "assisted living facilities". Mr. Greene said that a substitute version of this bill has passed the House and is now in the Senate. The Department will monitor this bill to determine the implications on the current State Health Plan and Rules for Personal Care Home Services.

- **DIVISION WORK PLANS-** Mr. Greene asked the Council to authorize the following Department recommendations:

- During 2004, the Council established a priority listing of several technical advisory committees (TACs). LTACs were rated #2 on the priority list of TACs. Mr. Greene said that the dynamics surrounding LTACs have changed since this list was created,

including reimbursement and other federal Rule changes. The Department recommends that the development of a LTAC TAC be placed at the end of the prioritized list.

- The Department recommends that the formation of a TAC to address Psychiatric & Substance Abuse Inpatient Services be moved from third place position to second place on the TAC priority list. The Department feels that there is a greater need to examine these rules.
- The Department recommends that a TAC be convened to incorporate the provisions of HB206, pending passage.
- The Special & Other Services Standing Committee recommended and the Department concurs that there is a need to review the PET rules at this time. (The state health plan for PET services recommended that that the PET TAC be reconvened in two years to ensure that the plan and rules are still adequate).
- The Department recommends that a small workgroup be convened to examine the definitions of “adult” and “children” for purposes of the Specialized Cardiovascular Services Plan and Rules.

Dr. Rahn said that the Council had previously recommended and prioritized the creation of five technical advisory committees, namely:

- 1 Inpatient Physical Rehabilitation Services, chaired by Harve Bauguess
- 2 Long Term Acute Care Services
- 3 Psychiatric & Substance Abuse Inpatient Services
- 4 Traumatic Brain Injury
- 5 Gamma Knives

The Department has recommended the following changes, in priority order, of the technical advisory committees:

1. Inpatient Physical Rehabilitation Services, chaired by Harve Bauguess
2. **Assisted Living TAC—this TAC would be convened, pending passage of HB206 during the legislative session.
3. Psychiatric & Substance Abuse Inpatient Services
4. Traumatic Brain Injury
5. PET TAC
6. Gamma Knives
7. Long Term Acute Care Services

Glenda Battle recommended that the name of the Psychiatric & Substance Abuse Inpatient Services TAC be changed to “Psychiatric and Addictive Diseases”. Mr. Greene said that the TAC could recommend this name change but the Department is limited to its current name because that is the name that is used in the state’s current Rules.

Council members recommended that membership on both Personal Care Home/Assisted Living TAC (if it is convened) and PET TAC include some new members and some members of the previous TACs.

Dr. Mikell said that there aren't many traumatic level III centers around the state and recommended that Traumatic Brain Injury be included as part of the Inpatient Physical Rehabilitation Services TAC. Mr. Greene indicated that, at the present time, there are two separate state health plans and rules for Inpatient Physical Rehabilitation and Traumatic Brain Injury Services. Because there is some overlap, he said that the Inpatient Physical Rehabilitation Services TAC would be asked to address this issue at their upcoming meeting. Dr. Mikell suggested that meeting efficiency and economy would be better served with the collapse of these two health planning areas. Council members recommended that the Inpatient Physical Rehabilitation Services TAC expand its scope of responsibilities to include traumatic brain injury under its planning umbrella. This recommendation was made by Dr. Mikell, seconded by Ed Bonn and was unanimously approved by the Council.

Mr. Greene indicated that the term "Gamma Knife" TAC should be expanded to include the vast array of treatment modalities, including cyberknife etc. He said that the scope of this committee's work would not be limited to gamma knives but would include a vast array of treatment modalities. Dr. Mikell recommended the following committee names for consideration: "Therapeutic Radiosurgery" or "Stereostatic and Therapeutic Modalities".

OTHER UPDATES

Dr. Rahn indicted that the Acute Care Standing Committee had made a recommendation that there be some language clarification of the terms "children" and "adults" for inclusion in the Specialized Cardiovascular Services Plan and Rules. The Department would like to convene a small workgroup to complete this task. A motion to authorize the Department to proceed with this work group was made by Dr. Williams, seconded by Elizabeth Brock. The Council unanimously approved this motion.

Mr. Greene indicated that the annual surveys have been distributed electronically. Hard copy notices have been sent to providers as well. The Department has made significant improvements in the surveys. He encouraged Council members to provide ongoing input in the survey process. He said that the hospital Financial Surveys have not been distributed at this time because the Department is working with the Indigent & Charity Care Trust Fund Advisory Committee to examine issues relating to distribution of the Trust Fund dollars. He also cited ongoing audits requested by Grady Health System, Memorial Hospital of Savannah, and Medical Center of Central Georgia. He indicated that if these issues are not resolved in a timely manner that the Department would move ahead with distribution of the surveys. Also, Mr. Greene said that the Department has withheld the Cardiac Catheterization Survey because of ongoing work with physician consultants (cardiologists) who have been reviewing the surveys

to be sure that the Department is asking appropriate questions. He said that the survey is expected to be mailed shortly.

SUMMATION AND PRIORITIZATION OF ISSUES IDENTIFIED BY HEALTH STRATEGIES COUNCIL MEMBERS

Dr. Rahn indicated that at the last meeting Council members requested the opportunity to provide input to the Department regarding some areas that they felt would be important for the Council to address. Members were asked to send suggestions to Stephanie Taylor. Included in member packets are copies of all items that were received by the Department. Members were encouraged to review the information.

Tary Brown said that one of the issues facing the rural communities regarding access is the amount of debt that many providers are faced with following graduation. He said that there should be greater emphasis on providing financial incentives to providers to practice in rural areas. He said that there is a dire need for many health professionals, particularly dentists in rural communities.

Dr. Rahn said that the Council has spent very little time on oral health. He recommended that there be an update on issues affecting oral health at the upcoming Council meeting. He said that the State of Georgia issues, on average, 180 new dental licenses annually at the present time. There are approximately 60 graduates, per year from Medical College of Georgia.

Charlene Hanson indicated that the manpower issues surrounding oral health are significant.

Mr. Bonn indicated that the Georgia Hospital Association has done some work on assessing the need for statewide health professionals.

Dr. Rahn said that this issue involves scope of practice, revenue, licensure, faculty numbers etc. There are over 400 vacant faculty positions nationwide. Shortage of nursing faculty has reached critical proportions. The Council needs to be kept abreast of these changes.

Elizabeth Brock asked about the Health Professions Workforce Committee. Ms. Hanson indicated that funding was lost for this program and the program was eliminated. She said that the committee had reached good momentum but very little ability to predict the ongoing needs of the state for providers, other than physician workforce.

Cathy Slade indicted that, with input from Charlene Hanson, she authored a white paper on the merits of the decision to drop the funding of the Healthcare Workforce Committee. She suggested that this would be a good background document to use to pursue additional funding.

Dr. Rahn indicated that this area should not be approached in silos but more holistically, looking at demographic trends and other disease management trends. He said that he would

work with Department staff to develop a work plan for addressing some of the statewide healthcare workforce issues.

OTHER BUSINESS

FY 2004 Annual Report of Health Strategies Council - Mr. Greene indicated that all members of the Health Strategies Council would receive a hard copy of the Annual Report at today's meeting. Other persons receiving hard copy reports are: Governor Sonny Perdue, Lieutenant Governor, Speaker of the House, Tim Burgess, DCH Commissioner, and Members of the DCH Board. Members of the General Assembly would receive the report electronically and it would be available on the Department's website.

Dr. Rahn thanked all of the Council members for their continued service to the citizens of the State.

There being no further business, the meeting adjourned at 1:00 pm. The next meeting is scheduled for **Friday, May 20, 2005 at Children's Medical Center, Augusta, Georgia at 11:00 am.**

Minutes taken on behalf of Chair by Stephanie Taylor.

Respectfully Submitted,

Daniel W. Rahn, MD, Chair